

A. Cover Sheet

Proposal # 2001 - G-203 (Office Use Only)

PSP Cover Sheet (Attach to the front of each proposal)

Proposal Title: Battle Creek Riparian Protection
Applicant Name: The Nature Conservancy
Contact Name: Peggy McNutt
Mailing Address: 201 Mission St., 4' Floor, San Francisco, CA 94105
Telephone: 530-527-0410
FAX: 530-384-2925
E-mail: Pmcnutt@fnc.org

Amount of funding requested \$1,000,000

Some entities charge different costs dependent on the source of the funds. If it is different for state or federal funds list below.

State cost _____ Federal cost _____

Cost share partners? X Yes No

Identify partners and amount contributed by each. CVPIA: \$200,000 for one property. Potentially Wildlife Conservation Board and other public and private contributors.

Indicate the Topic for which you are applying (check only one box).

- | | |
|--|---|
| <input type="checkbox"/> Natural Flow Regimes | <input checked="" type="checkbox"/> Beyond the Riparian Corridor |
| <input type="checkbox"/> Nonnative Invasive Species | <input type="checkbox"/> Local Watershed Stewardship |
| <input type="checkbox"/> Channel Dynamics/Sediment Transport | <input type="checkbox"/> Environmental Education |
| <input type="checkbox"/> Flood Management | <input type="checkbox"/> Special Status Species Surveys and Studies |
| <input type="checkbox"/> Shallow Water Tidal/Marsh Habitat | <input type="checkbox"/> Fishery Monitoring, Assessment and Research |
| <input type="checkbox"/> Contaminants | <input type="checkbox"/> Fish Screens |

What county or counties is the project located in? Shasta and Tehama

What CALFED ecozone is the project located in? See attached list and indicate number. Be as specific as possible Northern Sacramento Valley Ecological Management Zone. #4

Indicate the type of applicant (check only one box):

- | | |
|--|---|
| <input type="checkbox"/> State agency | <input type="checkbox"/> Federal agency |
| <input type="checkbox"/> Public/Non-profit joint venture | <input checked="" type="checkbox"/> Non-profit |
| <input type="checkbox"/> Local government/district | <input type="checkbox"/> Tribes |
| <input type="checkbox"/> University | <input type="checkbox"/> Private party |
| <input type="checkbox"/> Other: _____ | |

Indicate the primary species which the proposal addresses (check all that apply):

San Joaquin and Ease-side Delta tributaries fall-run chinook salmon	
<input checked="" type="checkbox"/> Winter-run chinook salmon	<input checked="" type="checkbox"/> Spring-run chinook salmon
<input type="checkbox"/> Delta smelt	<input checked="" type="checkbox"/> Fall-run chinook salmon
<input checked="" type="checkbox"/> Late-fall run chinook	<input type="checkbox"/> Longfin smelt
<input type="checkbox"/> Green sturgeon	<input checked="" type="checkbox"/> Steelhead trout
<input type="checkbox"/> White Sturgeon	<input type="checkbox"/> Striped bass
<input type="checkbox"/> Waterfowl and Shorebirds	<input type="checkbox"/> All chinook species
<input checked="" type="checkbox"/> Migratory birds	<input checked="" type="checkbox"/> All anadromous salmonids
<input type="checkbox"/> Other listed T/E species: _____	<input checked="" type="checkbox"/> American shad

Indicate the type of project (check only one):

<input type="checkbox"/> Research/Monitoring	<input type="checkbox"/> Watershed Planning
<input type="checkbox"/> Pilot/Demo Project	<input type="checkbox"/> Education
<input checked="" type="checkbox"/> Full-scale Implementation	<input type="checkbox"/>

Is this a next-phase of an ongoing project? Yes ☐ No ☒
 Have you received funding from CALFED before? Yes ☒ No ☐

If yes, list project title and CALFED number: Lower Mill Creek Riparian Restoration, # **1997-NO8**;
 Deer and Mill Creeks Acquisition and Enhancement, # **1998-F20**


Have you received funding from CVPIA before? Yes ☒ No ☐

If yes, list CVPIA program providing funding, project title and CVPIA number (if applicable):
 Completed agreements: L&L/Hamilton (14481133297G030), Birkes (113328G124), Dana (113328G048), Latimer (144811332985). Agreement in process: Mill and Deer Creek Acquisition (142095113). Projects pending agreements: Deer Creek Fencing and Pelton Ranch. All projects funded from AFRP (section 3406(b)(1)).

By signing below, the applicant declares the following:

- The truthfulness of all representations in their proposal;
- The individual signing the form is entitled to submit the application on behalf of the applicant (if the applicant is an entity or organization); and
- The person submitting the application has read and understood the conflict of interest and confidentiality discussion in the PSP (Section 2.4) and waives any and all rights to privacy and confidentiality of the proposal on behalf of the applicant, to the extent as provided in the Section.

Henry P. Little
 Printed name of applicant


 Signature of applicant

B. Executive Summary

Title of Project: Battle Creek Riparian Protection
Amount Requested: \$1,000,000
Applicant Name: The Nature Conservancy
Address: 201 Mission St., 4th Floor, San Francisco, CA 94105
Phone: 530-527-0410
FAX: 530-527-0384
E-mail of primary contact: Pmcnutt@tnc.org,

Participants and collaborators:

- Battle Creek Watershed Conservancy
- National Fish and Wildlife Foundation
- Los Molinos Unified School District
- Mennen Foundation
- JL Foundation
- Point Reyes Bird Observatory
- Packard Foundation
- U.S. Fish and Wildlife Service (CVPIA)
- U.S. Bureau of Land Management
- U.S. Bureau of Reclamation Conservation Program
- California Department of Fish & Game
- Natural Resources Conservation Service
- Deer Creek Watershed Conservancy
- Mill Creek Conservancy

The Nature Conservancy (TNC) requests \$1,000,000 from the CALFED Ecosystem Restoration Program and the U.S. Fish & Wildlife Service Central Valley Project Improvement Act for assistance in the acquisition of conservation easement interests and initial stewardship and monitoring of 3 critical riparian properties, in total approximately 3,000 acres, along the mainstem and the North and South Forks of Battle Creek. The three properties described in this proposal are located in the watershed of Battle Creek in Shasta and Tehama Counties in the Northern Sacramento Valley Ecological Management Zone. This is a full-scale implementation project submitted under the Agricultural Conservation and Wildlife Friendly Farming Practices section of the Beyond the Riparian Corridor category.

The proposed project expands the efforts of the Battle Creek Salmon and Steelhead Restoration Program, a program which will dramatically improve upstream fish passage on Battle Creek. The proposed project supports the objectives of the CALFED Bay-Delta Program and the Anadromous Fish Restoration Program (AERP) by focusing on protecting riparian habitat for at-risk native species and providing broad ecosystem benefits. The project also builds upon TNC's Lassen Foothills Project, an ongoing, collaborative effort to protect and restore a continuous corridor of riparian, aquatic, and associated upland habitat along key tributary streams including Battle, Deer, and Mill Creeks and at their confluences with the mainstem of the upper Sacramento River.

The intended goals of this project are: to limit future impacts of landscape fragmentation, instream physical disturbance, and the addition of new wells and septic systems; and to preserve high quality riparian habitat adjacent to wildlife compatible agriculture. We hypothesize that the purchase of conservation easements in a watershed with at-risk native species will help maintain and enhance functional riparian habitat and streambank conditions and will help minimize threats which stem from extensive human impacts, including water use.

Easements obtained will protect quality habitat and allow the current land use, providing protection from urban development, while supporting economic productivity. CALFED goals 1 (At-risk species) and 4 (Habitats) and CVPIA goals of supporting species in the greatest decline while protecting riparian and shaded riverine aquatic habitat are intended to be met by this project.

Land acquisition under this proposal will focus on the acquisition of conservation easement interests, purchased at an appraised value from willing sellers. TNC is currently negotiating with the sellers.

C. Project Description

Statement of the Problem

Problem

Battle Creek is unique among Sacramento River tributaries because of its capability to support all four runs of chinook salmon. In particular, there are only two remaining suitable spawning habitats for winter run salmon: Battle Creek and the Sacramento River. Battle Creek is the only habitat that can consistently provide the cold waters that winter run salmon need for spawning success. Because Battle Creek is recognized as having the best potential for restoring all four runs of chinook salmon as well as the steelhead trout populations, an historic agreement known as the Battle Creek Salmon and Steelhead Restoration Project ("Battle Creek Restoration Project") was signed by the "Resource Agencies" (California Department of Fish and Game, National Marine Fisheries Service, U.S. Bureau of Reclamation and U.S. Fish and Wildlife Service) and PG&E to restore instream flows and install fish ladders and screens. Significant financial support was provided by CALFED for this project.

Beyond the issues addressed in the Battle Creek Restoration Project, the main threats to the integrity of the Creek's fisheries are intensive agriculture and residential development. Intensive agricultural development, particularly vineyards that divert creek and spring water for irrigation, threaten the future of the abundant cold freshwater springs that support base flows and cool water temperatures in the Creek.

Although land along most of Battle Creek remains relatively undeveloped, development trends in the area point to increased loss of agricultural lands, as residential demands from Redding grow. Already there have been purchases of land along the Creek for speculative purposes, and subdivisions have occurred. Substantial groundwater extraction, well development, and septic tank use are increasing in this region and could eventually have devastating effects on instream flows.

Another major threat is riparian conversion that reduces quality and quantity of suitable aquatic habitat by decreasing shaded riverine habitat and associated organic inputs, water temperature control, and habitat structure. Habitat for threatened bird species, including eagles, is also reduced when streamside vegetation is removed.

Poaching and physical disturbances can kill or injure fish and force excess expenditure of energy critically needed for holding and spawning. The main sources of these disturbances are recreational activities.

The next important step in protecting salmon and steelhead along Battle Creek is protecting the relatively pristine riparian habitat along the stream from degradation and preventing the loss or degradation of its cold spring water by well development. In this project, TNC, working in partnership with the Battle Creek Watershed Conservancy (BCWC), plans to acquire conservation easement interests from willing landowners on resource rich Creek properties with potential for future development.

The intended goals of this project are to:

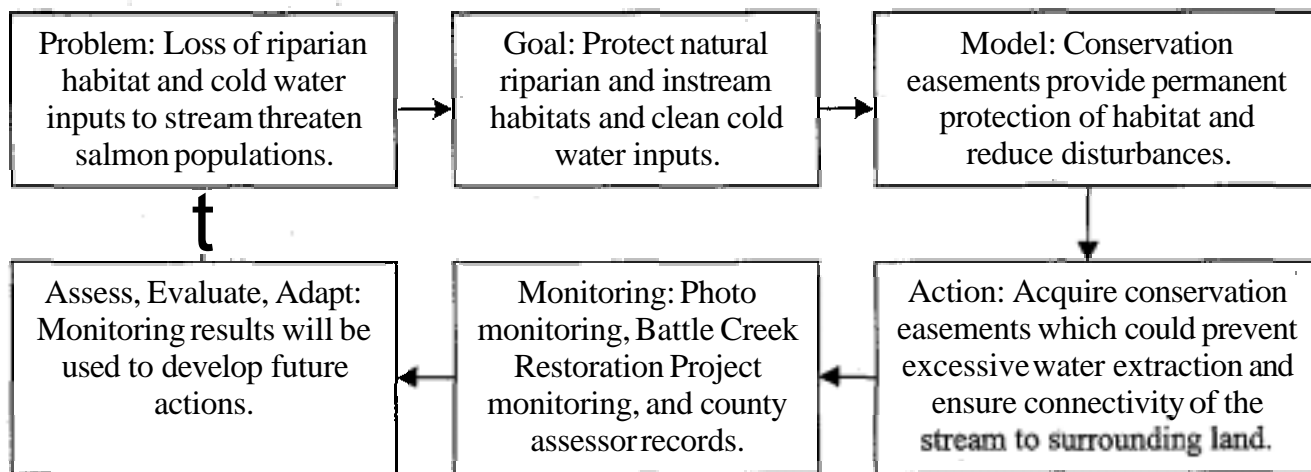
- Limit future impacts of landscape fragmentation, instream physical disturbance, and the addition of new wells and septic systems that would degrade water quality; and
- Preserve streamside vegetation adjacent to wildlife compatible agriculture.

If such goals are not achieved, the efforts of the Battle Creek Restoration Project could be negatively impacted and upland restoration could be necessary in the future.

Conceptual Model

At-risk species require healthy instream and riparian habitat. The Battle Creek Restoration Project was created to address adequate instream flows and passage. Riparian and upland habitat is increasingly being degraded or destroyed, and easements could help protect these habitats. By limiting development through easements, intrusions into the Creek as well as groundwater extractions can be limited while protecting riparian vegetation.

Our model is built around the extensive and well accepted literature on the need by salmon for cold water and limited disturbance (see Adaptive Management section). We presume that conservation easements on developable properties in the watershed are a preventive action and could help maintain shaded riverine habitat and could help limit negative impacts of increased water extraction and instream disturbance.



Hypothesis Being Tested

We hypothesize that the purchase of conservation easements in a watershed with at-risk native species will help maintain and enhance functional riparian habitat and streambank conditions and will help limit extensive ~~human~~ impacts, including water use and well and septic development.

Conservation easements have been demonstrated as an effective method of maintaining existing compatible land uses, especially cattle grazing, and discouraging intensive development within a landscape. Battle Creek, as stated above, having the most potential to restore all four runs of chinook salmon, is particularly critical to achieving CALFED Goal 1, At-Risk Species, and Goal 4, Habitats, as well as achieving the CVPIA priority of focusing on species and habitats determined to have the highest biological priority at this time and believed to contribute most to achieving fish and wildlife restoration goals (CALFED 2001 PSP Attachment G, pg. 7-8).

The benefits expressed in the scientific uncertainty “Beyond the Riparian Corridor” will also be addressed by the proposed project, including easements which allow the current land use and help to maintain the economic productivity of the land.

Adaptive Management

As an implementation project, the protection of the three properties described below protects substantial agricultural lands directly adjacent to quality habitat that is at risk of urban development (CALFED 2001 PSP, pg. 38). Our model rests on a foundation of over 50 years of research on the habitat requirements of salmon and steelhead. The research literature indicates that protection of riparian and upland integrity is paramount to preserving an intact aquatic ecosystem (Spence et al. 1996).

The negative effects of abusive land use, which could be prevented by conservation easements, have been documented in numerous studies. Streamside livestock grazing of riparian vegetation has been shown to help reduce aquatic shade and invertebrates for fish (Platts 1981, Heady and Child 1994). The removal of riparian vegetation along rangeland streams by livestock grazing can also result in increased stream temperatures (Li et al. 1994).

The encroachment of intensive agriculture on streams can have negative impacts to aquatic habitats (McBride 1988). The application of agricultural and forestry herbicides (Noms et al 1991) and insecticides (Beschta et al. 1995) near the streamside reduces available food and causes toxicity to aquatic habitats.

Urbanization significantly influences hydrologic process, increasing the magnitude of peak discharges and reducing summer base flows (Booth 1991). Proliferation of groundwater wells in a stream's watershed also has the effect of degrading wetlands and reducing stream base flows (Mitsch and Gosselink 1993).

Timber and hardwood harvest substantially modifies the physical characteristics of stream habitats, and there is substantial literature on the effects of logging on aquatic biota (Gregory et al 1987). Some of the change caused by forestry and wood cutting is the result of decreased recruitment of large woody debris from the riparian zone (Bisson et al 1987). Building of new roads also affects aquatic habitats by causing increased erosion and sedimentation of salmon spawning gravels (Bilby 1985).

A study of the Middle Fork of the Eel River in 1987 (Ward 1988) indicated that migratory patterns of adult summer steelhead were dramatically affected by human presence.' The study looked at impacts of human disturbance on steelhead in holding pools and found that within 18-48 hours of disturbance, the number of steelhead decreased in preferred holding pools. The study concluded, "... as human development continues to encroach into wilderness areas and watersheds containing summer steelhead, fishery managers will have to be even more cautious about the conflicts between humans and summer steelhead."

TNC maintains an ongoing adaptive management approach within its planning and acquisition programs. Parcels to be considered for protection are prioritized through an analysis of the current and near future threats to a creek's salmon fisheries. Parcels are ranked on a variety of indices, including their proximity to the creek, spring input to the creek, and their suitability for development. The parcel priority system is adaptive in the sense that it is periodically revised as TNC learns more about parcels, local hydrology, and new threats.

TNC will consider instream information collected pursuant to the provisions of the Battle Creek Restoration Project, including flow records and fish number counts, as well as county assessor records (indicating fragmentation) when measuring overall success and developing additional actions. TNC intends to use photo monitoring of the riparian area during the grant period and intends to fence certain

areas of the Creek frontage in order to help limit livestock intrusion into Battle Creek. Given the preventive rather than corrective nature of the conservation easements, there may be limited adaptive management actions required.

Proposed Scope of Work

Location

The three properties described in this proposal are located in the watershed of Battle Creek in Shasta and Tehama counties in the Northern Sacramento Valley Ecological Management Zone. These parcels are all identified as high priority for protection because of their strategic location on Battle Creek, which supports various life cycles of at-risk native species, including all four runs of chinook salmon and steelhead trout, and because they include properties at risk of incompatible development and habitat degradation.

Figures 1 and 2 show the Battle Creek watershed and the locations of the properties within the Battle Creek watershed.

Approach

The Nature Conservancy is working in cooperation with willing landowners and the Battle Creek Watershed Conservancy to acquire conservation easement interests on key properties along Battle Creek. The protection of these properties would complement acquisitions being made by BLM in the lower reaches of the Creek.

Land acquisition under this proposal will focus on three key properties, one on the mainstem, one on the North Fork and one on the South Fork of Battle Creek, *in* order to provide conservation protection of natural processes while maintaining land in private agricultural use and ownership. It is intended that the terms of the easements will help ensure protection of the riparian habitat, will help prevent excessive water extraction and use, and will help ensure connectivity of the stream to the surrounding land, but may vary slightly to fit a particular property.

Miller Ranch (up to **1,600** acres) is located on the main stem of Battle Creek above the Coleman Fish Hatchery and has frontage on both sides of Battle Creek. This stretch of the Creek serves as a spawning area for fall-run and late fall-run chinook salmon and as a holding area for spring-run chinook salmon. The property is currently held by a bankruptcy trustee, and TNC is currently working with the trustee, the Bureau of Land Management (BLM), the Battle Creek Watershed Conservancy (BCWC) and interested parties on the disposition of the property. TNC might purchase the property in fee and then resell the property with a conservation easement held by TNC or by BLM, or TNC might work with other interested parties who would purchase the underlying fee, with TNC or BLM acquiring the conservation easement. Funding is requested in this proposal **only** for the value of the conservation easement. It is intended that sections of the riparian habitat would be fenced where needed to help keep livestock from entering the Creek.

Pelton “Eagle Canyon” Ranch (up to **990** acres) begins at the confluence of the North Fork and Digger Creek and includes approximately **2.5** miles of frontage on the south side of the North Fork and also includes riparian water rights on Digger Creek. By purchasing a conservation easement on all or a portion of the property, The Nature Conservancy intends to help protect a significant portion of winter-run and spring-run chinook salmon spawning and rearing habitat in the North Fork from land use conversion and loss of riparian vegetation. Digger Creek also provides **an** additional source of cool waters for the North Fork. The owner may subdivide the

property if a conservation alternative is not workable. The US Fish and Wildlife Service has agreed to partially fund the conservation easement through an AFRP grant. There is a potential purchase of water rights on Digger Creek for instream habitat purposes although funding for this action is not requested in ~~this~~ proposal.

Winning Ranch (approximately 700 acres) is on the South Fork of Battle Creek and is contiguous to several BLM properties. Although the property is in a remote part of the watershed, the property includes frontage on the South Fork, has a critical cold water creek (spring-fed) flowing through the property, and there are water rights from one of the cold water springs feeding the South Fork. ~~In~~ addition to the conservation easement, acquisition of some of the property's water rights for instream habitat purposes is being discussed with the landowner. Potentially, an alternative water source will be created for the landowner so that spring water can remain in the Battle Creek system.

TNC has been actively working to protect and restore habitat in the Lassen Foothills for almost 20 years. Over the years, we have gained broad support within the community. Using tools such as acquisition of land or conservation easements, land management and restoration, land-use planning and conflict resolution, and community education and outreach, we have protected acres of habitat, keeping acres in productive ranching and agricultural uses, in the Lassen Foothills area. Our selection of the above properties, and our approach towards their protection will be handled with the same policy and practice of applying the best conservation science available and of building partnerships with local communities, private organizations, and public agencies to achieve mutual conservation goals.

Monitoring and Assessment Plans

TNC activities will include: preparation of initial resource assessments to provide a baseline easement monitoring report for each property, fencing of certain riparian areas on up to three properties, photo monitoring, and bird monitoring of neotropical migrants conducted by the Point Reyes Bird Observatory (PRBO). TNC will also review any flow and fish count records generated by the agencies involved in the Battle Creek Restoration Project. Funding for long-term compliance monitoring of each conservation easement is not requested at this time.

Data Handling and Storage

Data collected as a result of this project will be presented as reports, documents and photos. TNC intends to maintain the collected ~~data~~ in its offices and intends to provide documents upon request and as appropriate. Appraisals, surveys, and other necessary documents related to real estate transactions are confidential and will be used by TNC without CALFED's prior approval to negotiate acquisition of the conservation easement interests. See also Paragraph below titled "Compliance with Standard Terms and Conditions."

Expected Products/Outcomes

TNC intends to monitor each easement on a periodic basis and intends to prepare a monitoring report (it is anticipated that these reports would not be public information because the lands are still privately owned but could be shared with agencies on an as-needed and confidential basis). Staff has already participated in many public forums concerning conservation easements, including writing a local newspaper article on conservation easements, which was co-authored with the President of the California Cattlemen's Association. TNC is working cooperatively with the Battle Creek Watershed Conservancy on talking with landowners about conservation easements, and these forums and efforts are expected to continue. For example, on April 25, 2000, the BCWC hosted its annual meeting for landowners, and one ~~of~~ the managers of a ranch with a conservation easement held by TNC was a

featured speaker, and TNC staff were on hand to answer questions. TNC will continue to participate in these types of activities to further promote conservation and community involvement.

Work Schedule

The tasks for the proposed project are as follows:

Task 1. Acquisition. This task includes all reasonable and necessary due diligence steps that are related to completing the acquisition of a conservation easement, including but not limited to: appraisals, hazardous materials assessments, preparation of baseline easement monitoring reports, surveys (if necessary), title reports and insurance, escrow and closing fees, travel, supplies, salaries and benefits, professional and legal accounting services and other miscellaneous and direct costs, including photographs. This task also includes the costs of acquiring the conservation easement interests on up to three properties and potentially acquiring water rights on the Winning Ranch. TNC is currently working with the owners of the three properties and plans to complete the acquisitions within the first year of the grant. Given the sometimes extensive negotiations associated with conservation easements, the acquisitions could continue into the second year. Activities associated with the acquisition of the water rights may also continue into the second year.

Task 2. Stewardship and Monitoring. Following acquisition, initial stewardship activities may include fencing of certain sensitive riparian areas. TNC will subcontract with Point Reyes Bird Observatory to conduct bird monitoring of neotropical migrants in the Battle Creek watershed in each year of the grant agreement. TNC will also conduct two years of easement monitoring with grant funds.

Project Management. During the three years of the grant agreement, TNC will oversee all phases of the project, including easement interest acquisition and contracts for professional services. TNC will continue to participate in local landowner meetings regarding land protection strategies in the region and to cooperate with three local watershed organizations and other private and public agencies.

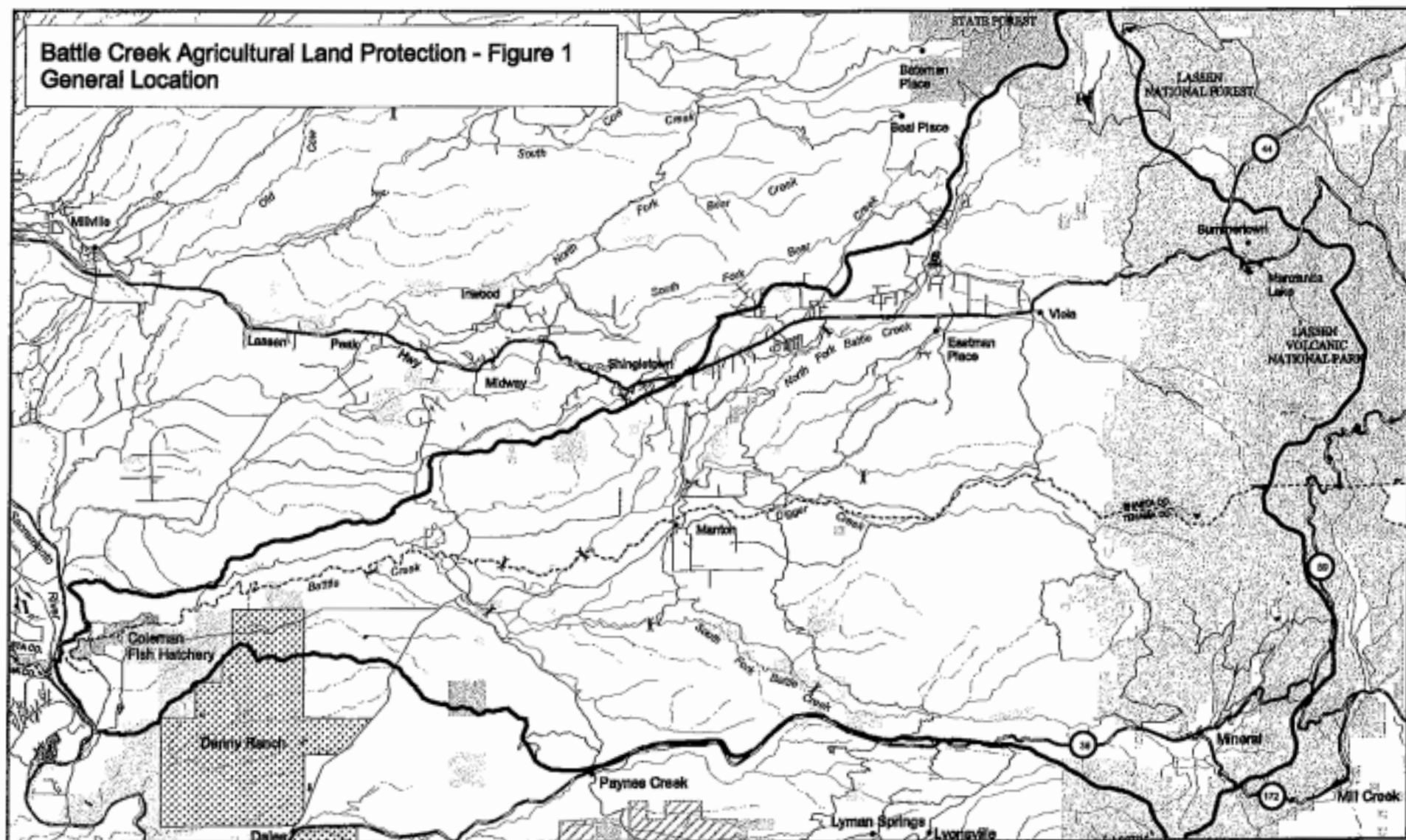
Feasibility

TNC currently owns Conservation easements on over 40,000 acres (including agricultural and riparian lands) in its Lassen Foothills Project area. Although negotiations with landowners on conservation easements can be lengthy, it is anticipated that this project could be completed within the required three-year period. The proposed project represents what TNC considers to be the best alternative for protection of key properties along Battle Creek and its tributaries. One of the expected benefits of the proposed project is providing ecological protection while retaining land in private ownership. This approach is cost-effective and is expected to foster community support for watershed protection. The alternative of inaction would provide no protection and could allow changes in land use that result in negative impacts that could eventually require costly restoration and potential loss of freshwater springs.

No permitting or environmental clearance is required to implement the proposed acquisitions. All properties or easements to be acquired will be reviewed regarding the condition of the title (e.g., liens, encumbrances, or other factors which might limit enforcement of the conservation restrictions) and the condition of the property (e.g., Phase I inspection for hazardous materials).

As a non-governmental agency, TNC does not typically submit CEQA/NEPA documentation. TNC assumes the funding agency will take the lead on any required CEQA/NEPA documentation and that TNC will provide information as needed.

**Battle Creek Agricultural Land Protection - Figure 1
General Location**



Battle Creek Watershed

- County Border
- Major Road
- Minor Road
- River
- Intermittent Stream
- Canal, Slough, Penstock
- Watershed Boundary
- Dam

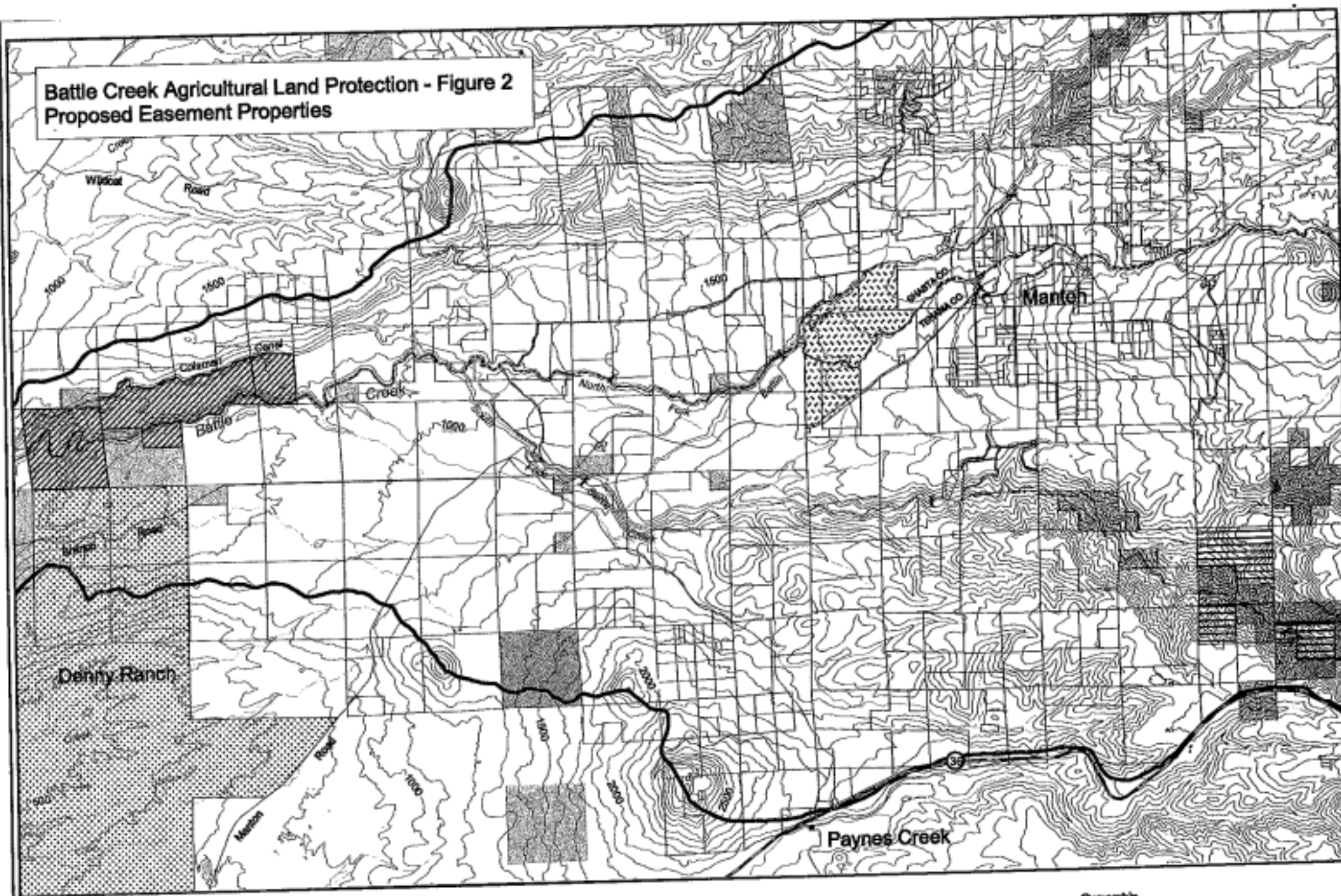


Prepared May 1, 2000



- State Lands
- California Department of Forestry
- California Department of Parks and Recreation
- California Department of Fish and Game
- Bureau of Indian Affairs
- National Park Service
- Bureau of Land Management
- Lassen National Forest
- U.S. Fish & Wildlife Service
- Private

**Battle Creek Agricultural Land Protection - Figure 2
Proposed Easement Properties**



- County Border
- Major Road
- Minor Road
- River
- Intermittent Stream
- Canal, Slough, Penstock
- Dam

Battle Creek Watershed



1:100000

0 0.5 1 1.5 2 2.5 Miles



Ownership

- Miller
- Pelton
- Wireline
- Parcels within watershed
- State Lands
- Bureau of Land Management
- U.S. Fish and Wildlife Service
- Watershed Boundary

D. Applicability to CALFED ERP Goals and CVPIA Priorities.

ERP Goals and CWIA Priorities

The proposed project supports the objectives of the CALFED Ecosystem Restoration Program Plan and the CVPIA AFRP program by focusing on at-risk native species (CALFED Goal 1) and riparian and fish habitats (Goal 4) and by supporting species in the greatest decline while protecting riparian and shaded riverine aquatic habitat (CVPIA goals). The project's intended primary biological/ecological objectives are to:

- Protect and restore natural riparian, aquatic, and terrestrial habitats in order to maintain continuous habitat corridors on key tributaries and at their confluences with the upper Sacramento River;
- Protect long-term sustainability of freshwater fish habitat that supports various life cycle stages of chinook salmon and steelhead trout from degradation by purchasing conservation easements from willing sellers;
- Foster agricultural land uses which are in harmony with the protection and preservation of ecological and species health, and
- Support local community efforts for habitat protection and enhancement.

Protection of riparian habitat along Battle Creek could also support CALFED goals of protecting watershed health as well as threatened species including neotropical migrant bird species.

Priority Species and Habitats

Sacramento winter-run and spring-run chinook salmon and steelhead trout. The proposed project could help benefit these first-tier at-risk species by protecting their natal rearing areas, holding areas, migratory pathways, and spawning grounds along Battle Creek.

Sacramento fall run and late fall-run chinook salmon. The proposed project could help benefit late fall-run and fall-run chinook salmon by protecting spawning habitat from degradation and human disturbance and by protecting shaded riverine aquatic habitat. In addition, the project could provide critical habitat for the pacific lamprey, other native resident fish and neotropical migratory birds.

Instream and shaded riverine aquatic habitat. The proposed project could help protect shaded riverine habitat that exists largely in its natural state. Protecting extensive shoreline vegetation could provide woody debris and leaf and insect drop and could support the survival and health of juvenile salmon and resident fishes. Protecting spring-fed and cold water inputs to the Creek could provide an important temperature reducing function that is critical to winter and spring-run salmon.

Key Stressors

The proposed project seeks to address key stressors affecting the Battle Creek ecosystem:

Channel form changes: Loss of existing riparian habitat. Loss of riparian habitat acts as a stressor by reducing food supplies for fish and wildlife, eliminating shaded riverine aquatic habitat, reducing channel complexity, and eliminating cover and nesting habitat. The proposed project seeks to address these stressors through the acquisition of easement interests in key riparian parcels and permanently protects existing habitat.

Land use: Intensive agriculture and development. Intensive agriculture and development impacts can include loss of riparian habitat, increased erosion, and decreased water quality. New development and its associated wells and septic systems would likely interrupt and degrade underground water flows that feed freshwater springs and the Creek. The proposed project intends to address these stressors by providing permanent habitat protection through restrictions in the conservation easements that will limit some types of agriculture and development in the riparian areas, which could reduce the adverse impacts on the riparian and aquatic habitat areas.

Relationship to Other Ecosystem Restoration Projects and System Wide Benefits

The project meets multiple objectives of both the CALFED Ecosystem Restoration Program Plan and the CVPIA Anadromous Fish Restoration Program by seeking to protect important riparian and freshwater fish habitat. In particular, this project complements and builds on the Battle Creek Restoration Project. With critical funding support from CALFED, the implementation of the Battle Creek Restoration Project is expected to increase instream flows along 42 miles of Battle Creek, remove five diversion dams, install fish ladders and screens at the three remaining diversion dams, and establish an adaptive management plan. The proposed project also complements conservation efforts by the Bureau of Land Management downstream and adds to the corridor of protected habitat within the Battle Creek watershed.

The proposed project is part of TNC's Lassen Foothills Project, a comprehensive effort to restore and protect a continuous corridor of riparian, aquatic, and upland habitat along key tributary streams of the Sacramento River, including Deer, Mill, and Battle Creeks. Regarding Battle Creek in particular, TNC is working closely with the Battle Creek Watershed Conservancy to implement a conservation easement strategy with private landowners in the watershed. Last summer, TNC acquired a conservation easement on approximately 36,000 acres, a portion of which is within the Battle Creek watershed and includes Paynes and Antelope Creeks.

TNC's efforts in other watersheds have been supported by previous grants from CALFED and CWIA. To date, TNC has protected almost 5,000 acres along Deer and Mill Creeks. In addition, TNC has initiated certain revegetation projects on Mill Creek and Dye Creek in coordination with the Mill Creek Conservancy and the Los Molinos Unified School District.

TNC is also working with the U.S. Fish and Wildlife Service and the Wildlife Conservation Board to acquire (approximately 15,000 acres to date) and restore (approximately 2,340 acres to date) lands along the Sacramento River. These efforts have been supported by many public and private agencies in order to create and maintain the natural channel and bank conditions necessary to achieve large, self-sustaining populations of anadromous fish.

Next-Phase Funding

The Nature Conservancy has not yet received funding from CALFED or CVPIA for a project on Battle Creek although CWIA has committed to partial funding for the Pelton property.

Previous recipients

The Nature Conservancy has received the following CALFED and CWIA funding:

CALFED: Lower Mill Creek Riparian Restoration, # 1997-NOS, this project is in its second year with the initial planting occurring last year; Deer and Mill Creeks Acquisition and Enhancement, # 1998-F20, this project is underway with negotiations occurring with the landowners. Easement negotiations on one property in particular are proceeding more quickly than the others.

CVPIA: Completed agreements: L&L/Hamilton (#14481133297G030), protected 450 acres of Deer Creek habitat; Birkes (#11332-8-G124), protected 9 acres of Mill Creek habitat; Dana (#113328G048), protected 10 acres of Mill Creek property part of which is being restored with CALFED #1997-NO8; Latimer (#14481133298J), protected 1,629 acres of Mill Creek habitat. Agreements in process: Mill and Deer Creek Acquisition (#114209J113), see CALFED #1998-F20. Projects pending grant agreements: Deer Creek Fencing and Pelton Ranch.

E. Qualifications

The Nature Conservancy is an international non-profit membership organization whose mission is to preserve the plants, animals, and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive. Founded in 1951, The Nature Conservancy and its 1 million members have safeguarded more than 11.6 million acres in the United States. The Nature Conservancy has also worked with like-minded partner organizations to preserve more than 59 million acres in Latin America, the Caribbean, the Pacific, and Asia. The California Regional Office is TNC's largest state program and a leader in program development. Headquartered in San Francisco, The Nature Conservancy of California has 110,000 members and has protected nearly one million acres in the state.

The Nature Conservancy uses a wide variety of tools to help forge solutions to conservation issues. We employ the following four methods most frequently: acquisition of land or conservation easements, land management and restoration, land-use planning and conflict resolution, and community education and outreach. Our strength and reputation are built on the policy and practice of applying the best conservation science available and of building partnerships with local communities, private organizations, and public agencies to achieve mutual conservation goals.

Several of The Nature Conservancy's landmark conservation projects have been supported by funding from previous grants from CALFED and the Central Valley Project Improvement Act (CVPIA) and its Anadromous Fish Restoration Program, as well as additional public and private funding sources. These projects include the following:

Mill Creek, Deer Creek, Battle Creek — Butte, Tehama, Shasta Counties

These tributaries of the upper Sacramento River provide critical habitat for healthy populations of high-priority anadromous fish species, including steelhead trout and winter, spring, fall, and late fall run chinook salmon. Protection of riparian parcels through the purchase of fee and easement interests is essential to ensuring connectivity of habitat to the mainstem of the Sacramento River. Active restoration has also begun on some of the protected parcels, with funding from CALFED and CVPIA and with the cooperation of local watershed conservancies.

Cosumnes River Project. — Sacramento and San Joaquin Counties

Working with public agencies and private landowners, The Nature Conservancy has protected nearly 16,500 acres of floodplain habitat, created more than 1,000 acres seasonal wetlands, restored 850 acres of riparian forest habitat, and implemented innovative levee set-back projects to restore natural channel meander. The project enjoys broad public support and provides many opportunities for local involvement, including public visitation, research, and cooperative management with neighboring farmers. In recent years, The Nature Conservancy has begun working downstream, to include protection and restoration of key parcels near the confluence with the Mokelumne River that are critical to the Bay-Delta ecosystem.

Sacramento River Project — Butte, Tehama, Glenn, Colusa Counties

An active participant in the SB 1086 process, The Nature Conservancy is collaborating with local landowners and stakeholders to develop the Sacramento River Conservation Area. To date, approximately 15,000 acres have been protected and approximately 2,340 acres restored, supported by funding from many partners and sources, including the U.S. Fish and Wildlife Service, California Wildlife Conservation Board, Department of Water Resources, and others. Through the site-specific management planning process, TNC is focusing on key sub-reaches of the river that are central to the implementation of a limited meander corridor, a high-priority objective for SB 1086 and CALFED.

There are no known conflicts of interest for The Nature Conservancy in implementing this project.

F. Cost

Total project costs are \$1,821,644 of which \$200,000 has been approved for USF&WSAFRP funding and \$1,000,000 is requested in this proposal.

Budget

Acquisition costs of \$1,250,000 are estimated capital costs for purchase of conservation easement interests. Actual costs for each property will be based on appraisals. Other costs incurred in acquisition of conservation easements are included in Service Contracts. TNC may request that, if possible, capital funds be placed in escrow prior to a closing or, as an alternative, TNC may close with its own funds and request reimbursement from CALFED or CVPIA for capital costs in addition to other acquisition and closing costs. TNC would request reimbursement for the non-capital acquisition costs regardless of closing status.

Service Contracts of \$445,000 for conservation easement acquisition include the costs of appraisals, phase I assessments, baseline easement monitoring reports, annual monitoring reports (two years), closing costs and other acquisition related service, which may be obtained from a group of vendors that TNC uses on a regular basis and pays from invoice rather than through a written contract. Point Reyes Bird Observatory has been identified as the subcontractor for neotropical bird monitoring. We will solicit competitive bids for fencing services obtained through subcontracts, unless the landowner contracts directly with TNC to supply the fencing service. Water acquisition costs are included only for the Winning property and include costs of providing an alternative water source for the property. This cost will include digging a well to replace the water diversion from a spring, providing electricity to the property by PG&E and establishing a fund based on the present value of electrical costs for the well. In return, the Winnings intend to dedicate the water rights under Section 1707 for instream use. TNC will work with CDF&G to implement this action.

Direct salary and benefits of \$26,020 are calculated for Tasks described in the Scope of Work. Benefits are calculated at 37.5% of salary paid for hours worked in accordance with our Negotiated Indirect Costs Rate Agreement (NICRA) fringe benefit rate. The staff involved in this project include the Field Representative, the Project Ecologist, the Operations Manager and the Project Director.

Travel, Supplies and Other costs of \$5,350 include travel costs, photographs, maps, photocopies among other costs associated with the acquisition and stewardship and monitoring activities.

Overhead costs of \$95,276 included in this proposal are 20% of total direct project costs, including subcontracts but excluding the purchase price of any land interests. The indirect portion includes costs associated with general office requirements and staff, including legal and grants administration staff.

Reporting: TNC will report on a task level. It is understood that these figures are a best estimate at the time the quarterly fiscal report is provided and do not necessarily reflect actual expenses. For invoices, TNC will invoice at the task level.

Separable tasks

TNC is seeking funds from multiple sources to complete this \$1,821,644 project. If CALFED or CVPIA award TNC \$1,000,000, in addition to the \$200,000 already approved through the CVPIA program, TNC will raise additional funds to complete the project. However, if CALFED or CVPIA award less than \$1,000,000, then TNC may not be able to carry out the Stewardship and Monitoring task.

Annual and Total Budget.

Year	Task	Direct Labor Hours	Subject to Overhead					Exempt from Overhead			Total Project Cost
			Salary	Benefits	Travel	Supplies & Misc. Other Costs	Service Contracts	Over-head (20 %)	Acquisition costs	Equipment	
Year 1	Task 1- Acquisition costs	145	\$3,990	\$1,500	\$500	\$250	\$275,000	\$56,248	\$1,250,000		\$1,587,488
	Task 2 – Stewardship and Monitoring	165	\$3,920	\$1,470	\$500	\$500	\$5,000	\$2,278			\$13,668
	Project Mgt	40	\$1,000	\$375				\$275			\$1,650
Total Cost Year 1		350	\$8,910	\$3,345	\$1,000	\$750	\$280,000	\$58,801	\$1,250,000		\$1,602,806
Year 2	Task 2 Stewardship and Monitoring	210	\$5,000	\$1,875	\$750	\$1,500	\$160,000	\$33,825			\$202,950
	Project Mgt	55	\$1,330	\$500	\$100			\$386			\$2,316
Total Cost Year 2		265	\$6,330	\$2,375	\$850	\$1,500	\$160,000	\$34,211			\$205,266
Year 3	Task 2 Stewardship and Monitoring	115	\$2,680	\$1,005	\$500	\$750	\$5,000	\$1,987			\$11,922
	Project Mgt	40	\$1,000	\$375				\$275			\$1,650
Total Cost Year 3		155	\$3,680	\$1,380	\$500	\$750	\$5,000	\$2,262			\$13,572
Total Project cost			\$18,920	\$7,100	\$2,350	\$3,000	\$445,000	\$95,274	\$1,250,000		\$1,821,644

Schedule milestones

FY 2000-01 (Oct 1,2000 – Sept. 30,2001)

- Negotiate easements with willing landowners. Close easement acquisitions on up to three parcels. Begin activities associated with instream water protection.
- Begin start-up stewardship actions and develop easement monitoring plans on acquired easement properties,

FY 2001-2003 (Oct 1,2001 - Sept 30,2003)

- Continue negotiating easements with willing landowners. Complete easement acquisitions on up to three parcels and instream water protection on up to one property.
- Implement start-up stewardship actions and easement monitoring plans on acquired easement properties.
- Establish compliance monitoring on acquired easement properties.

Cost-Sharing

TNC has received approval of a USF&WS grant to provide partial funding for the purchase of a conservation easement on the Pelton Ranch. Approximately \$40,000 was committed in FY2000 with a desire to commit up to one-half the funding needed (estimated at \$200,000). All three properties included in this proposal are included in a Conceptual Area Plan approved by the Wildlife Conservation Board for funding support. The Nature Conservancy is seeking consideration of the projects in this proposal by both CALFED and CVPIA.

Previously, to support the ecosystem objectives of the Battle Creek Restoration Project, TNC raised \$3,000,000 from private sources for the adaptive management plan component of the Battle Creek Restoration Project. In addition, other costs associated with the proposed land acquisitions, including long-term monitoring of easements and any additional funds needed for the potential purchase of the Miller property, will be raised by TNC from other public and private sources.

To date, acquisition and revegetation activities in the Dye, Deer, Mill, Paynes and Antelope Creeks project area have been supported by public and private funding totaling over \$4,200,000. Funds have come from public and private sources including the Central Valley Project Improvement Act (*AFRP*), CALFED (Category III), Bureau of Reclamation, the National Fish and Wildlife Foundation, the David and Lucile Packard Foundation, the Mennen Foundation and the JL Foundation. The Nature Conservancy continues to work with landowners along Deer, Mill, and Battle Creeks to purchase conservation easements, and additional funds from CALFED and other sources will be sought for future acquisitions. The Bureau of Land Management is also working to acquire lands along the lower reaches of Battle Creek and is a partner in the protection of the Miller property.

G. Local Involvement

Community support of and coordination with local watershed plans and other restoration programs are key aspects of the proposed project. TNC works cooperatively with landowners and the local watershed groups — the Battle Creek Watershed Conservancy, Mill Creek Conservancy, and Deer Creek Watershed Conservancy — to develop and encourage community support for watershed conservation. In particular, TNC is working closely with the Battle Creek Watershed Conservancy on a conservation easement strategy for the watershed. TNC has participated in the Battle Creek Working Group and in local landowner meetings on land protection strategies in Shasta, Tehama, and Butte counties. In addition, acquisition and revegetation activities on Deer and Mill Creeks are coordinated with similar efforts to protect and restore riparian habitat along the mainstem of the Sacramento River. TNC is also working with the Battle Creek, Mill Creek and Deer Creek conservancies and the Point Reyes Bird Observatory on monitoring studies of bird populations along the creeks.

Peggy McNutt of TNC's Red Bluff office generally discussed this proposal with the Tehama County Supervisors on April 18, 2000. No concerns were raised, and, in the past, the Supervisors have supported land protection that helped maintain the existing land use and payment of property taxes. Peggy McNutt also spoke to Patricia Clarke, the Shasta County Supervisor representing the Battle Creek region of Shasta County. The attached letter was sent to both the Tehama County and Shasta County Supervisors.

The Battle Creek Working Group and the Battle Creek Watershed Conservancy are organizations interested in this project. The Battle Creek Watershed Conservancy supports the purchase of conservation easements, and a letter of support is attached.

TNC has met with the Battle Creek Watershed Conservancy Board and individual landowners to discuss conservation easements on several occasions. Peggy McNutt has also participated in several land protection conferences in Tehama and Shasta counties attended by landowners.

H. Compliance with Standard Terms and Conditions

Regarding Attachment D, Section 3 Performance Retention, The Nature Conservancy requests that the 10% retention not be required for capital costs.

For Section 4, Expenditure of Funds, TNC requests the following negotiated language used in existing CALFED agreements with The Nature Conservancy (e.g. CALFED project 97-NO3):

“Upon written approval of the contract manager, and as long as the total contract amount does not increase, the Conservancy may adjust (1) the budget between individual tasks by no more than 10% and (2) the budget between individual line items within a task by no more than 10%. A request for budget change shall be accompanied by justification showing that the overall scope of the project will not be compromised. In addition, variances, which exceed 10% of a project task's approved budgeted amount, must have approval in advance, with written explanations of programmatic changes to cover such variance and to remain within the maximum contract amount.”

For Section 5, it is noted in the Budget section above that appraisals, phase I assessments, baseline monitoring reports, title reports and other acquisition services will be obtained from a group of vendors that TNC uses on a regular basis **and** pays from invoice rather than through a written contract. Point Reyes Bird Observatory has been identified as the subcontractor for neotropical bird monitoring. TNC will solicit competitive bids for fencing services obtained through subcontracts, or TNC will provide sole source justification if the landowner contracts directly with TNC to supply the fencing service. For

any provision of an alternate water source, PG&E will be used to provide electrical services, and bids would be solicited for the well.

For Section 9, TNC requests the following negotiated language used in existing CALFED agreements with The Nature Conservancy (e.g. CALFED project 97-NO3):

"Rights in Data. All data and information obtained under contract shall be publicly disclosed only in accordance with California law and the federal Freedom of Information Act. In addition, all appraisals and other information regarding pending transactions shall be treated as confidential and proprietary until the transaction is closed. The Conservancy shall have the right to disclose, disseminate and use, in whole or part, any final form data and information received, collected and developed under this agreement, subject to inclusion of appropriate written acknowledgement of credit to CALFED and all cost sharing partners for their financial support. Use of draft data requires pre-approval by CALFED. The Conservancy shall not sell or grant rights to a third party who intends to sell such product as a profit-making venture."

Section 24 may require revision depending upon the nature of the interest acquired by The Nature Conservancy.

Section 25 may require revision depending upon the nature of the interest acquired by The Nature Conservancy.

I. Literature Cited

Battle Creek Salmon and Steelhead Restoration Plan, by Kier Associates for the Battle Creek Working Group, January 1999.

Beschta R.L. et al. 1995. Cumulative effects of forest practices in Oregon. Oregon State University, Corvallis.

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Li, H. W. 1994. Cumulative effects of riparian disturbances along high desert trout streams in the John Day basin, Oregon. Transaction of the American Fisheries Society. 123: 627-640.

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Mitsch W.J. and J.G. Gosselink. 1993. Wetlands. Van Nostrand Reinhold. New York.

Noms, L.A., H.W. Lorz, and S.V. Gregory. 1991. Forest Chemicals. Pages 207-296 in W.R. Meehan editor. Influences of forest and rangeland management on salmonid fish and their habitats. Special Publication 19. American Fisheries Society. Bethesda, Maryland.

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Ward, M.B. 1988. Adult Steelhead Trout Utilization of Summer Holding Pools, Middle Fork Eel River, California. In: Proceedings of the 1988 Conference of the Western Division of the American Fisheries Society, July 10-13, 1988.

Environmental Compliance Checklist

All applicants must fill out this Environmental Compliance Checklist. Applications must contain answers to the following questions to be responsive and to be considered for funding. **Failure to answer these questions and' include them with the application will result in the application being considered nonresponsive and not considered for funding.**

1. Do any of the actions included in the proposal require compliance with either the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), or both?

YES

NO

- 2.** If you answered yes to # 1, identify the lead governmental agency for CEQA/NEPA compliance

Lead Agency

3. If you answered no to # 1, explain why CEQA/NEPA compliance is not required for the actions in the proposal.

Project is acquisition and monitoring only.

4. If CEQ/NEPA compliance is required, describe how the project will comply with either **or** both **of** these laws. Describe where the project is in the compliance process and the expected date **of** completion.

5. Will the applicant require access across public or private property that the applicant does not own to accomplish the activities in the proposal?

~~YES~~

NO

If yes, the applicant must attach written permission for access from the relevant property owner(s). Failure to include written permission for access may result in disqualification of the proposal during the review process. Research and monitoring field projects for which specific field locations have not been identified will be required to provide access needs and permission for access with 30 days of notification of approval.

Written permission is not required, or included, at this time.
Access is a requirement of the conservation easement and
will be a part of that documentation.

- ## LOCAL

Variance

Grading permit

Specific plan approval

Rezone

cancellation

Other

@lease specify)

None required

STATE

(CDFG)

(CDFG)

(RWQ CB)

(Coastal Commission/BCDC)

Notification

Other possible

(please specify)

None required

FEDERAL

(USFWS)

(ACOE)

(ACOE)

Other

(please specify)

None required

CWA = Clean Water Act

CEA = California Endangered Species Act

USFWS = U.S. Fish and Wildlife Service

ACOE = U.S. Army Corps of Engineers

ESA = Endangered Species Act

CDFG = California Department of Fish and Game

RWQCB = Regional Water Quality Control Board

BCDC= Bay Conservation and Development Comm.

Land Use Checklist

All applicants must fill out this Land Use Checklist for their proposal. Applications must contain answers to the following questions to be responsive and to be considered for funding. Failure to answer these questions and include them with the application will result in the application being considered nonresponsive and not considered for funding.

1. Do the actions in the proposal involve physical changes to the land (i.e. grading, planting vegetation, or breaching levees) or restrictions in land use (i.e. conservation easement or placement of land in a wildlife refuge)?

X
YES

NO

2. If NO to # 1, explain what type of actions are involved in the proposal (i.e., research only, planning only).

3. If YES to # 1, what is the proposed land use change or restriction under the proposal?

Conservation easements limiting subdivision and development

4. If YES to # 1, is the land currently under a Williamson Act contract?

X
YES

X *at least one property is not*

5. If YES to # 1, answer the following:

Current land use
Current zoning
Current general plan designation

*Agriculture, Ranching
Tehama Co - Upland ag.; Shasta Co -
Tehama - grazing; Shasta - Rural unclassified
residential and RH40*

6. If YES to #1, is the land classified as Prime Farmland, Farmland of Statewide Importance or Unique Farmland on the Department of Conservation Important Farmland Maps?

YES

NO

X
DON'T KNOW

7. If YES to # 1, how many acres of land will be subject to physical change or land use restrictions under the proposal?

up to 3290

8. If YES to # 1, is the property currently being commercially farmed or grazed?

X
YES

NO

9. If YES to #8, what are the number of employees/acre _____
the total number of employees _____

*Unknown, but minimal.
These are family owned ranches.*

10. Will the applicant acquire any interest in land under the proposal (fee title **or** a conservation easement)?

X
YES

NO

11. What entity/organization will hold the interest? Elton and Winning - INC
Miller - either TNC or BLM

12. If YES to # 10, answer the following:

Total number of acres to be acquired under proposal
Number of acres to be acquired in fee
Number of acres to be subject to conservation easement

up to 3290 ac

up to 3290 ac.

13. For all proposals involving physical changes to the land or **restriction** in land **use**, describe what entity **or** organization will:

manage the property

provide operations and maintenance services

conduct monitoring

on 2 properties, INC
will perform these
services; for one
property TNC or BLM
will provide services.

14. For land acquisitions (fee title **or** easements), will existing water rights also be acquired?

possibly
YES

NO

15. Does the applicant propose any modifications to the water right **or** change in the delivery of the water?

X
YES

NO

16. If YES to # 15, describe Section 1707 dedication

'APPLICATION FOR FEDERAL ASSISTANCE

OMB Approval NO. 0348-0043

1. TYPE OF SUBMISSION Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction Preapplication <input type="checkbox"/> construction <input type="checkbox"/> Non-Construction		2. DATESUBMITTED 5/1/00	Applicant Identifier
		3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION Legal Name: The Nature Conservancy Address (give city, county, State, and zip code): 201 Mission Street, 4th Floor San Francisco, CA 94105		Organizational Unit: California Regional Office Name and telephone number of person to be contacted on matters involving this application (give area code): Peggy McNutt 530-527-0410																					
6. EMPLOYER IDENTIFICATION NUMBER (EIN): <div style="border: 1px solid black; padding: 2px; display: inline-block;"> 53 - 0242652 </div>	7. TYPE OF APPLICANT: (enter appropriate letter in box) N <div style="display: flex; justify-content: space-between;"> <div> A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District </div> <div> H. Independent School Dist. I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify) 501 (C) (3) nonprofit </div> </div>																						
8. TYPE OF APPLICATION <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision Revision, enter appropriate letter(s) in box(es) A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other (specify): _____		9. NAME OF FEDERAL AGENCY:																					
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: <div style="border: 1px solid black; padding: 2px; display: inline-block;"> 00 - 0000 </div> TITLE Shasta & Tehema Counties		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Battle Creek Riparian Protection																					
12 AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Shasta & Tehema Counties																							
13. PROPOSED PROJECT	14. CONGRESSIONAL DISTRICTS OF U.S. Districts 2 & 3																						
Start Date Ending Date 10/1/00 9/30/03	a. Applicant The Nature Conservancy																						
15. ESTIMATED FUNDING		b. Project Battle Creek Riparian Protection																					
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>a. Federal</td> <td>\$</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td>b. Applicant</td> <td>\$</td> <td></td> </tr> <tr> <td>c. State</td> <td>\$</td> <td></td> </tr> <tr> <td>d. Local</td> <td>\$</td> <td></td> </tr> <tr> <td>e. Other</td> <td>\$</td> <td></td> </tr> <tr> <td>f. Program Income</td> <td>\$</td> <td></td> </tr> <tr> <td>g. TOTAL</td> <td>\$</td> <td style="text-align: right;">1,000,000</td> </tr> </table>		a. Federal	\$	1,000,000	b. Applicant	\$		c. State	\$		d. Local	\$		e. Other	\$		f. Program Income	\$		g. TOTAL	\$	1,000,000	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE _____ b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
a. Federal	\$	1,000,000																					
b. Applicant	\$																						
c. State	\$																						
d. Local	\$																						
e. Other	\$																						
f. Program Income	\$																						
g. TOTAL	\$	1,000,000																					
17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes," attach an explanation. <input checked="" type="checkbox"/> No																							
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.																							
a. Type Name of Authorized Representative Henry Little		b. Title Dir. of Conservation																					
c. Telephone Number 415-777-0867		d. Signature of Authorized Representative 																					
e. Date Signed 5/12/00																							

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Protection		\$ 1,000,000	\$	\$	\$	\$
2.						
3.						
4.						
5. Totals		\$ 1,000,000	\$	\$	\$	\$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
a. Personnel	\$ 10,385	\$	\$	\$	\$
b. Fringe Benefits	3,900				
c. Travel	1,290				
d. Equipment	---				
e. Supplies	1,000				
f. Contractual	244,750				
g. Construction	---				
h. Other acquisition & other	686,280				
i. Total Direct Charges (sum of 6a-6h)	947,605				
j. Indirect Charges	52,395				
k. TOTALS (sum of 6i and 6j)	\$ 1,000,000	\$	\$	\$	\$
7. Program Income	\$	\$	\$	\$	\$

Authorized for Local Reproduction

SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS	
8.	\$	\$	\$	\$	
9.					
10.					
11.					
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$	
SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ 880,000	\$	\$	\$	\$
14. Non-Federal					
15. TOTAL (sum of lines 13 and 14)	\$ 880,000	\$	\$	\$	\$
SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT					
(a) Grant Program	FUTURE FUNDING PERIODS (Years)				
	(b) First	(c) Second	(d) Third	(e) Fourth	
16. Battle Creek Riparian Protection	\$ 880,000	\$ 112,500	\$ 7,500	\$	
17.					
18.					
19.					
20. TOTAL (sum of lines 16-19)	\$ 880,000	\$ 112,500	\$ 7,500	\$	
SECTION F - OTHER BUDGET INFORMATION					
21. Direct Charges:	947,605	22. Indirect Charges: 52,395			
23. Remarks: Indirect costs not calculated on capital costs.					

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.
SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

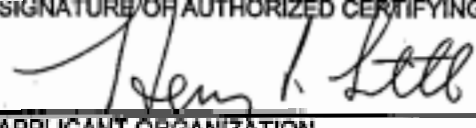
As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900. Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation

Act of 1973, as amended (29 U.S.C. 5794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended. (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§5523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§1401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE Director of Conservation Programs
APPLICANT ORGANIZATION The Nature Conservancy	DATE SUBMITTED 5/12/96

NONDISCRIMINATION COMPLIANCE STATEMENT

STD. 19 (REV. 3-95)

COMPANY NAME

The Nature Conservancy

The company named above (hereinafter referred to as "prospective contractor") hereby certifies, unless specifically exempted, compliance with Government Code Section 12990(a-f) and California Code of Regulations, Title 2, Division 4, Chapter 5 in matters relating to reporting requirements and the development, implementation and maintenance of a Nondiscrimination Program. Prospective contractor agrees not to unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of **sex**, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), medical condition (cancer), age (over 40), marital status, denial of family care leave and denial of pregnancy disability leave.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized to legally bind the prospective contractor to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

OFFICIAL'S NAME

Steve McCormick

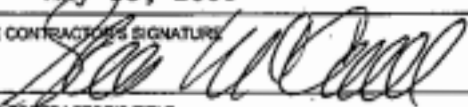
DATE EXECUTED

May 10, 2000

EXECUTED IN THE COUNTY OF

San Francisco

PROSPECTIVE CONTRACTOR'S SIGNATURE



PROSPECTIVE CONTRACTOR'S TITLE

Regional Director

PROSPECTIVE CONTRACTOR'S LEGAL BUSINESS NAME

The Nature Conservancy



California Regional Office
201 Mission Street, 4th Floor
San Francisco, California 94105

TEL 415 777-0487
FAX 415 777-0244 & 415 777-0772

International Headquarters
4245 North Fairfax Drive
Suite 100
Arlington, Virginia 22203-1606
TEL 703 841-5300

May 9, 2000

George Russell, Chairman
Ross Turner
Bill Borrer
Barbara McIver
Charles Willard
Tehama County Board of Supervisors
633 Washington Road
Red Bluff, CA 96080

Dear Board of Supervisors,

As I mentioned in your meeting on April 18, 2000, I ~~am~~ writing to inform you of The Nature Conservancy's intent to submit the attached proposal for funding under the 2001 CALFED Bay-Delta Ecosystem Restoration Program. As you know, the CALFED Bay-Delta Program is a consortium of State and Federal agencies whose mission is to develop a long-term comprehensive plan that will restore ecological health and improve water management for the Bay-Delta system. The proposal is also submitted for consideration by U.S. Fish & Wildlife Service's Anadromous Fish Restoration Project.

Our proposed project requests funding for acquisition of conservation easements on three key properties in Tehama County along Battle Creek. Identified properties in Tehama County include: Miller (approximately 500 acres), Winning (700 acres) and portions of the Pelton Ranch (approximately 300 acres). The Miller and Pelton properties continue across the creek into Shasta County and I am writing to the Shasta County Board of Supervisors as well about the proposal. In addition, I have discussed the project with the Board ~~of~~ the Battle Creek Watershed Conservancy who support the proposal.

As we discussed, The Nature Conservancy has been actively engaged in conservation activities in eastern Tehama county since the early 1980's, and is committed to working cooperatively with landowners, local organizations, and public agencies. In all conservation projects, The Nature Conservancy works only with willing sellers.

If you have any questions, please do not hesitate to contact me at (530) 527-0410.

Sincerely,

A handwritten signature in cursive script that reads "Peggy McNitt".

Peggy McNitt
Project Director

cc. George Robson, Tehama County Planning Department



California Regional Office
201 Mission Street, 4th Floor
San Francisco, California 94105

TEL 415 777-0487
FAX 415 777-0244 & 415 777-0772

International Headquarters
4245 North Fairfax Drive
Suite 100
Arlington, Virginia 22203-1606
TEL 703 841-5300

May 9, 2000

Trish Clarke
Glenn Hawes
David Kehoe
Irwin Fust
Molly Wilson
Shasta County Board of Supervisors
1815 Yuba Street, Suite 1
Redding, CA 96001

Dear Trish and the Shasta County Board of Supervisors,

I am writing to inform you of The Nature Conservancy's intent to submit the attached proposal for funding under the 2001 CALFED Bay-Delta Ecosystem Restoration Program. As you know, the CALFED Bay-Delta Program is a consortium of State and Federal agencies whose mission is to develop a long-term comprehensive plan that will restore ecological health and improve water management for the Bay-Delta system. The proposal is also submitted for consideration by U.S. Fish & Wildlife Service's Anadromous Fish Restoration Project.

Since the early 1980's, The Nature Conservancy has been actively engaged in conservation activities largely in eastern Tehama County, working to protect key rangelands and riparian habitat along five major tributaries to the Sacramento River. One of those tributaries is Battle Creek which includes land in both Shasta and Tehama Counties.

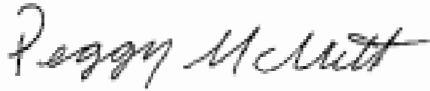
Our proposed project requests funding for the protection of two key properties in Shasta County along Battle Creek. Identified properties in Shasta County include: Miller (approximately 1000 acres) and Pelton (approximately 700 acres). The Miller and Pelton properties continue across the creek into Tehama County and I am also writing to the Tehama County Board of Supervisors about the proposal. In addition, I have discussed the project with the Board of the Battle Creek Watershed Conservancy who support the proposal.

The Nature Conservancy plans to purchase a conservation easement on the Pelton and Miller properties. The Miller property, which is in bankruptcy, may be purchased as part of the bankruptcy proceedings and resold with a conservation easement. In all conservation projects, The Nature Conservancy works only with willing sellers and is committed to working cooperatively with landowners, local organizations, and public agencies.

Page 2, Shasta County Board of Supervisors

I have generally discussed the proposal with Trish Clarke and would be happy to attend a meeting of the Board of Supervisors as well to ~~further~~ explain the proposal. If you have any questions, please do not hesitate to contact me at (530) 527-0410.

Sincerely,

A handwritten signature in cursive script that reads "Peggy McNutt".

Peggy McNutt
Project Director

cc. Shasta County Planning Department



California Regional Office
201 Mission Street, 4th Floor
San Francisco, California 94108

TEL 415 777-0487
FAX 415 777-0244 & 415 777-0772

International Headquarters
4245 Nonh Fairfax Drive
Suite 100
Arlington, Virginia 22203-1606
TEL 703 841-5300

May 9, 2000

Sharon Paquin-Gilmore, Watershed Coordinator
Battle Creek Watershed Conservancy
P.O. Box 560
Manton, CA 96059

Dear Sharon,

I am enclosing a copy of The Nature Conservancy's proposal for funding under the 2001 CALFED Bay-Delta Ecosystem Restoration Program. As you know, the CALFED Bay-Delta Program is a consortium of State and Federal agencies whose mission is to develop a long-term comprehensive plan that will restore ecological health and improve water management for the Bay-Delta system. The proposal is also submitted for consideration by U.S. Fish & Wildlife Service's Anadromous Fish Restoration Project.

Our proposed project requests funding for acquisition of conservation easements on three key properties in Shasta and Tehama County along Battle Creek. Identified properties in Tehama County include: Miller (approximately 1500 acres), Winning (700 acres) and portions of the Pelton Ranch (approximately 990 acres). I have written to both the Shasta and Tehama Boards of Supervisors as well about the proposal.

If you have any questions, please do not hesitate to contact me at (530) 527-0410.

Sincerely,

A handwritten signature in cursive script that reads "Peggy McNutt".

Peggy McNutt
Project Director